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of service so long as the individual received a satisfactory end-of-term performance review as described in $\S2522.240(d)(2)$ for the period served in the first term.

(7) Except as provided in paragraph (e) of this section, a term of service from which an individual is released for cause counts as one of the two terms of service described in §2522.220(b) for which an individual may receive the benefits described in §\$2522.240 through 2522.250.

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(e) Release prior to serving 15 percent of a term of service. If a participant is released for reasons other than misconduct prior to completing 15 percent of a term of service, the term will not be considered one of the two terms of service described in §2522.220(b) for which an individual may receive the benefits described in §2522.240 through 2522.250.

§ 2522.240 What financial benefits do AmeriCorps participants serving in approved AmeriCorps positions receive?

- (a) AmeriCorps educational awards. An individual serving in an approved AmeriCorps position will receive an educational award from the National Service Trust upon successful completion of each of up to two terms of service as defined in §2522.220.
- (b) Living allowances—(1) AmountSubject to the provisions of this part, any individual who participates on a full-time basis in an AmeriCorps program carried out using assistance provided pursuant to §2521.30 of this chapter, including an AmeriCorps program that receives educational awards only pursuant to §2521.30(c) of this chapter, will receive a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under §105 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955). This requirement will not apply to any program that was in existence prior to September 21, 1993 (the date of the enactment of the National and Community Service Trust Act of 1993).
- (2) Maximum living allowance. With the exception of a professional corps described in §2522.110(a)(3), the AmeriCorps living allowances may not exceed 200 percent of the average annual subsistence allowance provided to VISTA volunteers under section 105 of the Domestic Volunteer Service Act of

1973 (42 U.S.C. 4955). A professional corps AmeriCorps program may provide a stipend in excess of the maximum, subject to the following conditions: (i) Corporation assistance may not be used to pay for any portion of the allowance; and

- (ii) The program must be operated directly by the applicant, selected on a competitive basis by submitting an application to the Corporation, and may not be included in a State's application for AmeriCorps program funds distributed by formula under §2521.30(a)(2) of this chapter.
- (3) Living allowances for part-time participants. Programs may, but are not required to, provide living allowances to individuals participating on a part-time basis (or a reduced term of part-time service authorized under §2522.220(a)(3). Such living allowances should be prorated to the living allowance authorized in paragraph (b)(1) of this section and will comply with such restrictions therein.
- (4) Waiver or reduction of living allowance. The Corporation may, at its discretion, waive or reduce the living allowance requirements if a program can demonstrate to the satisfaction of the Corporation that such requirements are inconsistent with the objectives of the program, and that participants will be able to meet the necessary and reasonable costs of living (including food, housing, and transportation) in the area in which the program is located.
- (5) Limitation on Federal share. The Federal share, including Corporation and other Federal funds, of the total amount provided to an AmeriCorps participant for a living allowance is limited as follows:
- (i) In no case may the Federal share exceed 85% of the minimum required living allowance enumerated in paragraph (b)(1) of this section.
- (ii) For professional corps described in paragraph (b)(2)(i) of this section, Corporation and other Federal funds may be used to pay for no portion of the living allowance.
- (iii) If the minimum living allowance requirements has been waived or reduced pursuant to paragraph (b)(4) of this section and the amount of the living allowance provided to a participant has been reduced correspondingly—

- (A) In general, the Federal share may not exceed 85% of the reduced living allowance: however.
- (B) If a participant is serving in a program that provides room or board, the Corporation will consider on a case-by-case basis allowing the portion of that living allowance that may be paid using Corporation and other Federal funds to be between 85% and 100%.

[59 FR 13796, Mar. 23, 1994, as amended at 71 FR 10611, Mar. 2, 2006]

EFFECTIVE DATE NOTE: At 73 FR 53760, Sept. 17, 2008, §2522.240 was amended by revising the heading of paragraph (b)(4), redesignating paragraph (b)(5) as (b)(6), and adding a new paragraph (b)(5), effective Nov. 17, 2008. For the convenience of the user, the added and revised text is set forth as follows:

§ 2522.240 What financial benefits do AmeriCorps participants serving in approved AmeriCorps positions receive?

* * * * *

- (b) * * *
- (4) Waiver or reduction of living allowance for programs. * * *
- (5) Waiver or reduction of living allowance by participants. A participant may waive all or part of the receipt of a living allowance. The participant may revoke this waiver at any time during the participant's term of service. If the participant revokes the living allowance waiver, the participant may begin receiving his or her living allowance prospective from the date of the revocation; a participant may not receive any portion of the living allowance that may have accrued during the waiver period.

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§ 2522.245 How are living allowances disbursed?

A living allowance is not a wage and programs may not pay living allowances on an hourly basis. Programs must distribute the living allowance at regular intervals and in regular increments, and may increase living allowance payments only on the basis of increased living expenses such as food, housing, or transportation. Living allowance payments may only be made to a participant during the participant's term of service and must cease when the participant concludes the term of service. Programs may not provide a lump sum payment to a participant who completes the originally

agreed-upon term of service in a shorter period of time.

[73 FR 53760, Sept. 17, 2008]

EFFECTIVE DATE NOTE: At 73 FR 53760, Sept. 17, 2008, §2522.245 was added, effective Nov 17, 2008

§ 2522.250 What other benefits do AmeriCorps participants serving in approved AmeriCorps positions receive?

- (a) Child Care. Grantees must provide child care through an eligible provider or a child care allowance in an amount determined by the Corporation to those full-time participants who need child care in order to participate.
- (1) *Need*. A participant is considered to need child care in order to participate in the program if he or she:
- (i) Is the parent or legal guardian of, or is acting in loco parentis for, a child under 13 who resides with the participant:
- (ii) Has a family income that does not exceed 75 percent of the State's median income for a family of the same size:
- (iii) At the time of acceptance into the program, is not currently receiving child care assistance from another source, including a parent or guardian, which would continue to be provided while the participant serves in the program; and
- (iv) Certifies that he or she needs child care in order to participate in the program.
- (2) Provider eligibility. Eligible child care providers are those who are eligible child care providers as defined in the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(5)).
- (3) Child care allowance. The amount of the child-care allowance may not exceed the applicable payment rate to an eligible provider established by the State for child care funded under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(4)(A)).
- (4) Corporation share. The Corporation will pay 100 percent of the child care allowance, or, if the program provides child care through an eligible provider, the actual cost of the care or the amount of the allowance, whichever is less
- (b) Health care. (1) Grantees must provide to all eligible participants who